Recommended Percentages

To find the actual percentage, divide the expense by your total income and multiply by 100.

Example: A couple makes $60,000 for the year and they spent $4,800 for a car payment, $3,000 for a second car payment, and $3,000 in credit card payments (no new purchases, all going to previously owed charges, interest fees, and late charges). The percentage for debt is:

$$\frac{(4,800+3,000+3,000)}{60,000} \text{ X } 100 = \frac{10,800}{60,000} \text{ X } 100 = 18\%$$

ITEM	ACTUAL %	RECOMMENDED %
Charitable Gifts	_____	10-15%
Saving	_____	5-10%
Housing	_____	25-35%
Utilities	_____	5-10%
Food	_____	5-15%
Transportation	_____	10-15%
Clothing	_____	2-7%
Medical/Health	_____	5-10%
Personal	_____	5-10%
Recreation	_____	5-10%
Debt	_____	5-10%

The percentages are guidelines and may vary depending on your income level. If you have a low income level, then your necessities (food, housing, utilities) may have a higher percentage. If you have a high income level, then your necessities may be lower and your savings, hopefully, will be higher.